

For-Hire Operating Authority Certificate or License
Irrevocable Letter of Credit

OA456 (08/03)

☐ Broker for the Transportation of Property
(minimum amount \$25,000)

☐ Household Goods Carriers
(minimum amount \$50,000)

We _____
(Financial Institution)

being authorized to conduct business in the Commonwealth of Virginia hereby establish our Irrevocable Letter of Credit (number _____) in favor of the Commonwealth of Virginia, Department of Motor Vehicles, and agree to pay to you any liabilities up to an aggregated amount of _____ Dollars (\$_____)

hereafter found by you to be due from _____
(Principal – Legal Entity)

under Chapter 21 of Title 46.2 of the Code of Virginia, as the same may be from time to time amended, modified, recodified, or otherwise rewritten, to the payment of which, well and truly to be made, we bind ourselves, our heirs, administrators, successors and assigns firmly by these presents to be effective as to fraudulent practices or representations or violations of any provision of Title 46.2 of Chapter 21 of the Code of Virginia occurring on or after the _____ day of _____, _____, hereafter referred to as the effective date.
(year)

Said payment shall be made upon written notice of final judgement from a court of competent jurisdiction against the Principal for fraudulent practices or representations or violations of any provision of Chapter 21 of Title 46.2 of the Code of Virginia. We engage with you that any demand or presentment made under and in compliance with the terms of this letter of credit shall be duly honored by us, as specified, covering fraudulent practices or representations or violations of any provision of Chapter 21 of Title 46.2 of the Code of Virginia occurring on or after the above stated effective date and on or before the _____ day of _____, _____, hereinafter referred to as the expiration date, or any extended expiration date of this Irrevocable Letter of Credit as set forth below.
(year)

It is a condition of this Irrevocable Letter of Credit that it shall be deemed automatically extended annually without amendment for a period consistent with the letter of credit requirements delineated in Chapter 21 of Title 46.2 of the Code of Virginia, with approval of the Commissioner of the Department of Motor Vehicles for an additional period of one year from the above or any extended expiration date unless we shall notify the Commissioner by registered mail postmarked sixty (60) days prior to such expiration date or from any future expirations date that we elect not to renew this Irrevocable Letter of Credit for such additional period. Such annual election shall not relieve, release, or discharge us from any obligation under this Irrevocable Letter of Credit for any loss or damages caused to a person by reason of fraudulent practices, fraudulent representations, or violations of Chapter 21 of Title 46.2 of the Code of Virginia in connection with the Principal’s transportation service on or after the effective date and prior to or on the expiration date or any extended expiration date, and with respect to any such loss or damages, this Irrevocable Letter of Credit shall remain in effect. If for any reason this Irrevocable Letter of Credit is not renewed, the Virginia Department of

Motor Vehicles will have the right to draw from the Irrevocable Letter of Credit (prior to its expiration date) any outstanding balance which pertains to the loss or damages.

We hereby engage with the drawer of drafts drawn under and in compliance with the terms of this letter of credit that such drafts will be duly honored upon presentation of drafts and documents to us on or before the release date of the Irrevocable Letter of Credit.

We shall accept demand by you in compliance with the terms of this Irrevocable Letter of Credit on its face, and we shall have no duty, responsibility, or liability to the Principal with respect to the underlying validity of said demand.

This _____ day of _____, _____.

(year)

_____(Seal)
(Name of Financial Institution)

By: _____
(Signature of Institution’s Officer) (Title)

Attest:

(Signature) (Title)

(Print Name)

Affidavit and Acknowledgment of Authority

I, _____, a notary public in and for the state of _____, do certify that _____ personally appeared before me and made oath that he is _____ of _____; and that he is duly authorized to execute the foregoing Irrevocable Letter of Credit as a legally binding document.

Given under my hand this _____ day of _____, _____.

(year)

Notary Public

My commission expires _____, _____.

(year)